



LONG-TERM CARE

It's Coming. Are you ready?

Most Americans aren't even thinking about it, but the numbers say we should be. Here are the facts on actual costs, care options and tips to help you prepare now for this likely and expensive need.

WHO WILL NEED IT?

70% of people turning age 65 can expect to use some form of long-term care during their lives.



For people with diabetes, high blood pressure or other chronic disease, the chances are greater.



Those who live alone are more likely to need paid care than people who live with family or friends.



69% of people 90+ have a disability.

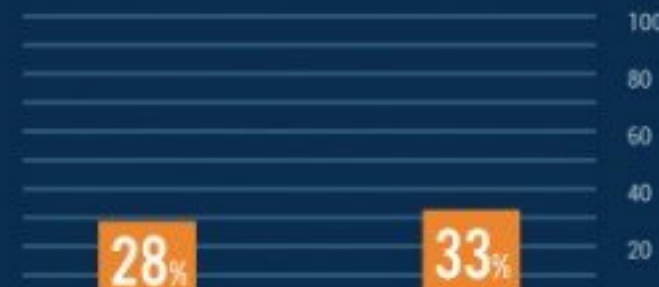


8% of people 40-50 have a disability that could require long-term care later in life.

WHY DON'T AMERICANS PLAN?



Almost half are unsure how.



28% say the cost of care prevents them from planning.

Fewer than 1/3 are currently saving for it.

THE MOST AND LEAST EXPENSIVE STATES



Annual costs:

Adult day care: **\$29,396**
Licensed home care: **\$56,056**
Private room in nursing home: **\$255,891**



Annual costs:

Adult day care: **\$18,200**
Licensed home care: **\$38,896**
Private room in nursing home: **\$58,035**

WHAT WILL IT COST ME?



per day/\$6,235 per month for semi-private room in a nursing home

per day/\$6,965 per month for private room in nursing home

per month for a 1-bedroom unit in an assisted-care facility

per hour for a home health aide

per hour for homemaker services

per day for services in adult day-care center

WAYS TO PAY FOR IT Here are some options:

Medicaid: To qualify, your income has to be low enough to meet the requirements of the state you live in.

Personal savings: Long-term care can quickly exceed personal savings for most of us.

Long-term care insurance: Premiums vary by your age at the time you buy the policy, coverage, and policy type

Reverse mortgage: This is a type of home equity loan for people 62+ where you can receive cash against the value of your home without selling the home.

WILL YOUR FAMILY PAY A PRICE?



One in four U.S. adults were unpaid caregivers to an adult or child in 2009.

A reported 37% of caregivers quit their jobs or reduced work hours to care for someone 50+ in 2007. These lost wages and benefits add to personal long-term care costs.



THE 411 ON LONG-TERM CARE INSURANCE

Best time to buy: It costs less when you are younger. If you're healthy, it's easier to get and you could get a discount. You'll have better luck in your 50s than if you wait.

Find out if you can get it through your employer.

Choose a policy with the longest wait period you can afford (time between needing services and when coverage kicks in).

Get a two-fer. Check into a joint policy that will pay if you or your spouse needs care.

Buy coverage for a set number of years vs. lifetime. On average, Americans actually need long-term care services for three years.

Comparison shop. Ask insurance reps about recent premium increases. Be aware that insurers usually reserve the right to increase them.

The average policy in 2007:

Cost about **\$2,207/YEAR**

Covered **4.8 years** of benefits (excludes the 20% of policies with lifetime coverage)

Had a daily benefit of **\$160**

Included automatic **inflation protection**

WHAT ARE THE MAIN THINGS TO CONSIDER IN CHOOSING WHERE TO LIVE?

The condition of your home.

Whether it can be modified, if necessary, to maximize self-care and help avoid a fall.

The availability of long-term care services in your area, such as adult day care or nearby medical facilities.

How "aging-friendly" your community is – does it offer public transportation or elder shuttles, Meals on Wheels and other needed services?

The availability and affordability of **rental and public housing** in your area.

Tax and legal issues.